



BOARD ADOPTED POLICIES

POLICY NUMBER: 2.00.210

EFFECTIVE DATE: 6/17/04

TITLE: Board Operations

SUPERSEDES: 8/1/03

BOARD ADOPTION: 6/17/04

APPROVED: *Joseph A. Dea*

Rules of Order

- 1) Board and committee proceedings shall be governed by Robert's Rules of Order, unless otherwise specified.

Regular and Special Meetings

- 2) Board meetings required by statute are referred to as regular meetings. These meetings are held quarterly and are open to the public. All other meetings are referred to as special meetings. These, too, are open to the public. The Board has elected to meet monthly and now establishes a yearly schedule of meetings. This schedule is published as part of the State Register compiled by the Code Reviser's Office.
- 3) Most business conducted by the Board falls into two categories. First, there are those items that require Board action such as the adoption or approval of policies, decisions concerning a major investment, selection of a contractor, or a position on a major issue. The other category consists of informational items provided by staff or consultants that allow the Board to fulfill its role in monitoring and reviewing the status of the fund and staff activities. Minutes of board and committee meetings are recorded and are open to public inspection.
- 4) The Board will hold an annual off-site retreat, which among other things, will provide an opportunity for the members to engage in discussion for the purpose of continually improving its own effectiveness as a fiduciary body.

Quorum

- 5) A quorum of at least six voting members must be present for the Board to conduct business. For the Board to take action, six members must vote affirmative.

Committee Protocol

- 6) Committee meetings are called by the Committee Chair.
- 7) A list of standing committee assignments is included in Appendix C.
- 8) A quorum for each committee is 50 percent or more of the voting members assigned to the Committee. A committee meeting may be held with less than a quorum; however, no

committee action may be taken, though the committee may, by consensus, refer issues to the Board for its consideration or action.

- 9) Only voting committee members may vote. If a quorum is present, the number of affirmative votes required to take committee action is a simple majority of those present.
- 10) The committee chair will determine whether all issues, or any specific issue, coming before the committee will be put to a vote or resolved by consensus.
- 11) Committees may only make decisions which (1) result in recommendations of the committee to the Board; (2) provide direction to the staff; or, (3) resolve an internal committee matter.

Requirements for Public Notice

- 12) There are certain requirements for public notice which the Board must follow. These requirements are part of RCW 34.08 and 42.30.
- 13) The schedule of regular Board meetings is provided to the Code Reviser and is published as part of the State Register. According to RCW 42.30.075: "State agencies which hold regular meetings shall file with the Code Reviser a schedule of the time and place of such meetings on or before January of each year for publication in the Washington State Register. Notice of any change from such meeting schedule shall be published in the State Register at least twenty days prior to the rescheduled meeting date."
- 14) Additionally, there are four standing committees of the Board that meet periodically. These meetings are generally scheduled with less public notice. However, schedules of all meetings are available to the public through the Board office.
- 15) Notice and agendas for all public meetings are mailed at least twenty-four hours in advance of meetings, as required by law. Most meeting agendas are mailed to the Board members with more lead time. Board staff also maintains a mailing list for public notice. Interested media are included on the mailing list.

Open Meetings Law

- 16) All meetings of the State Investment Board and its committees are open to the public except as provided by law.
- 17) There are specific rules which allow the Board to conduct an Executive Session. During the Executive Session, meetings are generally restricted to Board members, the Assistant Attorney General, the Executive Director and staff requested to be present.
- 18) RCW 42.30.110 details the guidelines for holding an Executive Session by the Board.
- 19) Generally, business involving the topics below may be conducted in Executive Session:

- a) Personnel;
- b) Litigation,
- c) Specific investment matters:

In the case of specific investment matters, RCW 42.30.110 (k) explains the requirements in this language: "To consider, in the case of the State Investment Board, financial and commercial information when the information relates to the investment of public trust or retirement funds and when public knowledge regarding the discussion would result in loss to such funds or in private loss to the providers of this information."

- 20) Final action taken on any matter discussed in Executive Session must be taken in an open public session.

Meeting Location

- 21) Most meetings are held in Olympia. Periodically, committee meetings, and occasionally Board meetings, may be held at other locations. The Washington State Investment Board has a boardroom available at the Headquarters Office at 2100 Evergreen Park Drive S.W. in Olympia.

Officers

- 22) The Chair and Vice-Chair will be elected at the first regular meeting in September of each year, and will serve for a term of one year.
- 23) In the event that a vacancy should occur in the position of Chair, the Vice-Chair will assume the duties of the Chair for the balance of the unexpired term.
- 24) In the event that a vacancy should occur in the position of Vice-Chair, the Board will elect a successor for the balance of the unexpired term at its next regular meeting.
- 25) Non-voting and legislative members may not serve as Chair or Vice-Chair of the Board.

Standing Committees of the Board

- 26) Because of the volume of business and the need to discuss many items in considerable detail, the Board has established four committees which meet periodically to review issues related to their specific charter before the issues are presented to the Board at its regular or special meetings.
- 27) The standing committees of the Board are as follows:
 - a) Public Markets Committee
 - b) Private Markets Committee
 - c) Administrative Committee
 - d) Audit Committee
- 28) Each standing committee shall be comprised of not less than three and not more than five trustees and any number of non-voting members, except for the Administrative Committee.

- 29) In the event that a vacancy should occur within a committee, the Board shall appoint a replacement upon the recommendation of the Chair.
- 30) The Chair will recommend to the Board for its approval the members and chairs of each standing and ad hoc committee, except for the membership of the Administrative Committee, which shall consist of the Board Chair, Vice Chair, and committee chairs, provided each is a trustee.
- 31) In appointing board members to committees, the Board and the Chair will attempt to balance the following considerations:
- a) The need to maintain an appropriate level of continuity in committee membership;
 - b) The need to rotate the composition of committees to provide diverse experience to board members; and
 - c) The need to ensure that committee appointments reflect board members' interests and areas of expertise.
- 32) The Board may establish ad hoc committees of the Board to address specific matters and issues that do not already fall within the scope of a standing committee. Ad hoc committees shall be disbanded once they have satisfied their mandate.
- 33) If the committee chair is not present at a committee meeting, the remaining committee members may appoint a chair from among themselves for the meeting.

Agendas and Meeting Materials

- 34) Meeting agendas will be established by the Executive Director, in consultation with the Chair, or, in the case of committee meetings, the appropriate committee chair.
- 35) The agenda and related materials for Board and standing committee meetings will generally be distributed to Board members at least seven calendar days in advance of the meeting.

Teleconferencing

- 36) Teleconferencing to the Board or its Committee meetings is permitted only upon advance approval by the Chair of the Board or Chair of the particular Committee involved. For Board meetings, in the absence of the Chair, the Vice-chair may grant such approval. For a Committee, in the absence of its Chair, the Chair may designate a Temporary Chair who may grant such approval. The guidelines to be used by the Chair(s) to determine if teleconferencing is appropriate are:
- a) In emergency situations, such as meetings of the Board (or one of its Committees), which are called at other than its usual and customarily scheduled time or hazardous weather.

- b) For quorum purposes when an item cannot be postponed to a later meeting.
- c) If, in the Chair's opinion, it is clearly to the Board's advantage to arrange a teleconference.

Note: this section applies to voting and non-voting Board members and to staff of the WSIB.

Policy Review

37) The Board will review this policy at least every three years to ensure that it remains relevant and appropriate.

Policy Adopted 8/1/03

Revised 6/17/04